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DAN F. ARNETT
CHIEF OF STATE

VIA HAND DELIVERY

May 12, 2006

Charles L. A. Terreni
Chief Clerk
South Carolina Public Service Commission
101 Executive Center Dr.
Columbia, SC

**Re: Docket No. 2006-82-T
Tariff Rate Increase Request of South Carolina Tariff Bureau, Inc.**

The South Carolina Office of Regulatory Staff ("ORS") has conducted an impact study in response to the South Carolina Tariff Bureau, Inc.'s ("SCTB") filing a request for a 12% rate increase with the Public Service Commission ("Commission") on March 16, 2006. In accordance with ORS procedures for transportation tariff increase requests, the Audit Department conducted impact studies in an attempt to determine the effects of the proposed increase on the operating ratios of the companies comprising the SCTB.

SCTB is comprised of approximately 60 household goods carriers that operate under the same tariff. In order to test the impact of the proposed tariff increase on the companies operating under the SCTB, ORS judgmentally selected a sample of six members for detailed impact studies. The companies were selected based upon their relative size and geographic locations. An attempt was made to select both small and large companies from each of three general regions of the state (upstate, midlands, lower state.). The six companies, their locations and the Proforma impact on their operating ratios of the proposed tariff increase are detailed below.

The year ending December 31, 2005 was selected as the test year for the impact study. For each of the sampled companies, ORS obtained copies of the applicable Annual Report and requested access to the books and records from which those reports were prepared. Our examination procedures called for verifying that amounts on the Annual Reports agreed to the companies' books and records and that expenditures recorded were properly documented and appeared to be valid business expenditures.

After validating the Annual Reports and eliminating any expenditures not considered deductible for ratemaking purposes, we recomputed operating income using the Proforma revenues which resulted from applying the proposed tariff to the bills of lading actually recorded by the companies.

As a result of our impact study, ORS noted the following for each of the companies examined:

Askins Moving & Storage (Florence)

The proposed increase will provide additional revenues of \$2,262 and change its operating ratio from 109% to 98%.

Carey Moving & Storage (Rock Hill)

The proposed increase will provide additional revenues of \$7,209 and change its operating ratio from 96% to 93%.

ACME Moving & Storage (Augusta)

The proposed increase will provide additional revenues of \$739 and change its operating ratio from 99% to 95%.

Advantage Relocations Systems (Columbia)

The proposed increase will provide additional revenues of \$2,560 and change its operating ratio from 83% to 79%.

Azalea Moving & Storage (Charleston)

ORS was unable to complete an impact study for this company because the company was unable to provide the ORS with the requested documents in the time allotted.

Smith Dray Line & Storage (Greenville)

ORS was unable to complete an impact study for this company because the company was unable to provide the ORS with the requested documents in the time allotted.

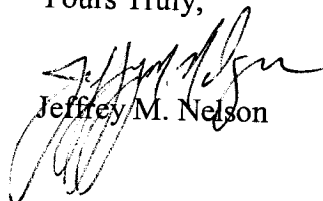
As documented above, ORS was only able to complete impact studies on four of the six companies selected. For these companies, the impact of the proposed rate increase will provide for additional revenues ranging between \$739 - \$7,209 and operating ratios ranging from 79% - 98%.

For those companies whose books we were not provided, we are unable to reliably estimate the impact the tariff increase would have on their operating ratios.

In conclusion, based upon the procedures performed and the results obtained, considering only those companies within the sample that were able to provide data, it appears that the proposed tariff increase, if granted, would produce operating ratios within the range normally approved by the PSC in the majority of the SCTB membership.

The ORS has no objection to this matter being placed on the next Commission Transportation Agenda for action.

Yours Truly,



Jeffrey M. Nelson

cc: Amanda B. Adams, Executive Director